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Programme budget for the biennium 2002-2003

Conditions of service and compensation for officials, other than Secretariat officials, serving the General Assembly: full-time members of the International Civil Service Commission and the Chairman of the Advisory Committee on Administrative and Budgetary Questions

Report of the Secretary-General

I. Introduction

1. The General Assembly, in resolution 57/285 of 20 December 2002, decided to implement, with effect from 1 January 2003, a revised salary scale for staff in the Professional and higher categories. This note outlines the consequential changes that would be required regarding the emoluments of the Chairman and Vice-Chairman of the International Civil Service Commission (ICSC) and the Chairman of the Advisory Committee on Administrative and Budgetary Questions. The compensation of these three senior officials was last reviewed comprehensively in January 2000 and is subject to a comprehensive review at least every five years.

II. Background

2. In accordance with General Assembly resolution 35/221 of 17 December 1980, the annual net compensation of the Chairman and Vice-Chairman of the ICSC and the Chairman of the Advisory Committee on Administrative and Budgetary Questions is adjusted in January of each year by 90 per cent of the movement in the consumer price index (CPI) for new York (rounded to the nearest whole number), provided that the index has increased by at least 5 per cent. Following a comprehensive review of the salary of these senior officials in 2000, which is detailed in the report of the Secretary-General (A/C.5/55/29), the General Assembly, in its resolution 55/238 of 23 December 2000, removed the requirement for at least a 5 per cent movement in the index. As the movement of the index is measured over

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the period from November to November, the compensation for these three senior officials is revised each January on an annual basis.

3. It was recognized during the 2000 review that the relativity that existed between the compensation of these three senior officials was equivalent to 97 per cent of the compensation of senior officials in 1996. However, by 1 January 2000, that relativity had fallen to 90.4 per cent. In order to restore the relativity that existed previously, it was proposed, and the General Assembly agreed, in addition to granting the CPI adjustment of 7 per cent to salaries, to also increase the salaries by an additional 3.1 per cent and to increase the special allowance of the two Chairmen to $10,000. Relativity was thus restored to 97 per cent.

III. Salary of the Chairman and the Vice-Chairman of the International Civil Service Commission and the Chairman of the Advisory Committee on Administrative and Budgetary Questions

4. By its resolution 57/285, the General Assembly, decided to approve an increase in the salary scales for certain grades of the Professional and higher categories. The increase was 6.3 per cent for the D-2 grade and above. Therefore, in order to maintain the salary relativity of 97 per cent referred to in paragraph 3 above, the Secretary-General would propose to apply a 6.3 per cent increase to the net compensation of the Chairman and Vice-Chairman of ICSC and the Chairman of the Advisory Committee on Administrative and Budgetary Questions, effective 1 January 2003.

	Current salary	*Proposed increase*
	1 January 2003	*1 January 2003*
Chairman of ICSC and Chairman of the Advisory Committee on Administrative and Budgetary Questions		
Net salary	157 266	167 174
Special allowance	10 000	10 000
Vice-Chairman of ICSC		
Net salary	157 266	167 174

IV. Post retirement benefits of the Chairman and the Vice-Chairman of the International Civil Service Commission and the Chairman of the Advisory Committee on Administrative and Budgetary Questions

5. In its resolution 46/192 of 20 December 1991, the General Assembly decided that officials appointed or elected to ungraded positions who become participants in the United Nations Joint Staff Pension Fund should have their pensionable remuneration adjusted, between comprehensive reviews, in accordance with the procedure applicable for the adjustment of the scale of pensionable remuneration of

staff in the Professional and higher categories. This methodology has been applied since that time. As at 1 January 2003, the pensionable remuneration of Chairman of ICSC and the Chairman of the Advisory Committee on Administrative and Budgetary Questions is currently $204,446 per annum and the Vice-Chairman of ICSC is currently $193,493 per annum.

6. Should the General Assembly decide to increase the salary of these three senior officials by 6.3 per cent, their pensionable remuneration should, accordingly, also be increased by the same percentage amount. In that case, the pensionable remuneration of the Chairman of ICSC and the Chairman of the Advisory Committee on Administrative and Budgetary Questions would become $217,326 per annum and that of the Vice-Chairman of ICSC would become $205,683 per annum, effective 1 January 2003.

V. Financial implications

7. **Should the General Assembly approve the proposals outlined above, it is estimated that there will be additional requirements of $20,800 for the biennium 2002-2003. Accordingly, additional appropriations of $11,900 and $8,900 would be required under sections 1 and 29, respectively, of the programme budget for the biennium 2002-2003. This would represent the full cost of provision in respect of the Chairman of the Advisory Committee on Administrative and Budgetary Questions and the net cost to the United Nations of the provisions for the Chairman and Vice-Chairman of ICSC, which are jointly financed with the other organizations to the United Nations system. The above requirements would be reflected in the second performance report on the programme budget for the biennium 2002-2003 to be presented to the General Assembly at its fifty-eighth session.**

VI. Next comprehensive review

8. In accordance with the decision taken by the General Assembly in its resolution 55/238 in respect of the periodic review of the compensation and other conditions of service of the Chairman and Vice-Chairman of ICSC and the Chairman of the Advisory Committee on Administrative and Budgetary Questions, the next comprehensive review will be undertaken in the sixtieth session of the Assembly in 2005.